

**ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY**

RESOLUTION NO. G25-01

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY RELATING TO DEVELOPMENT OF
THE AMBLER ROAD PROJECT BY MOVING AVAILABLE FUNDS
FROM THE ARCTIC INFRASTRUCTURE DEVELOPMENT FUND
INTO THE REVOLVING FUND**

WHEREAS, one of the purposes of the Alaska Industrial Development and Export Authority (the “Authority”) is to develop and provide financing for industrial development and facilities that “are essential to the development of the natural resources and the long-term economic growth of the state, and will, directly and indirectly, alleviate unemployment in the state...” AS 44.88.010(a)(4), 44.88.070(1).;

WHEREAS, the Ambler Mining District Industrial Access Project (“Project”) is aimed at the development of an industrial road that provides access for multiple mining companies to the Ambler Mining District for exploration and mineral development and is the type of development that AIDEA was established to pursue by acquiring an interest in a project as necessary or appropriate to provide financing for the project;

WHEREAS, the Authority has the ability to develop and finance development projects that create infrastructure needed to bring natural resources to market;

WHEREAS, the opening of new areas for natural resource development through the construction of access roads is important in supporting economic development and is in furtherance of the Authority’s statutory mission, and is in the public interest;

WHEREAS, AIDEA was set up by the Legislature to finance projects through several separate funds including the Revolving Fund (AS 44.88.060), the Enterprise Development

Account (AS 44.88.155), the Economic Development Account (AS 44.88.172), the Arctic Infrastructure Development Fund (AS 44.88.810) and the Sustainable Energy Transmission and Supply Development Fund (AS 44.88.660) with the ability to have each fund accept receipts into a fund and the authority to transfer funds from one fund to the other as directed and determined by the Board.

WHEREAS, The Revolving Fund consists of appropriations made to the Revolving Fund by the legislature, and money or other assets transferred into the Revolving Fund by the Authority,

WHEREAS, The Authority may create additional accounts either in the Revolving Fund or outside the Revolving Fund;

WHEREAS, Amounts deposited into the Revolving Fund may be expended for the authorized purposes of the Authority;

WHEREAS, the Ambler ROAD INDUSTRIAL Access Project was declared to be an Arctic infrastructure Development project under the Arctic Infrastructure Development Program and Fund in Board Resolution G20-11 approximately five years ago;

WHEREAS, AIDEA at the present time remains interested in developing an industrial access road to the Ambler Mining District to support exploration, development, and mining activities in the area, by creating a new account in the Revolving Fund known as the Ambler Road Project Development Account and transferring the funds, budgets, project development expenses and liabilities including but not limited to payment for legal costs, now in Arctic Infrastructure Development Fund to the Ambler Road Project Development Account established as a separate account in the Revolving Fund;

WHEREAS, the Authority has previously approved four Resolutions funding the

project plans and budgets under G20-19, G21-09, G20-29, G22-03, G23-07A and G24-13 for advancing the project;

WHEREAS, making these decisions to advance and manage the Project are all in furtherance of the Authority's statutory powers and advance the public interest.

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY, AS FOLLOWS:

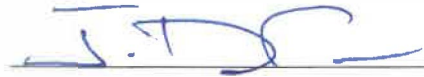
Section 1. The Authority is authorized to create a new account in the Revolving Fund known as the "Ambler Road Project Development Account" and transfer the funds budgets, project development expenses and liabilities including but not limited to payment for legal costs, now in Arctic Infrastructure Development Fund to the new Ambler Road Project Development Account established as a separate account in the Revolving Fund and extend the date of budget approvals in AIDEA Board Resolution G23-07A to June 30, 2026 allowing expenditures outside of the Ambler Metals 50% match.;

Section 2 The Executive Director is authorized and directed to take all steps necessary to establish the Ambler Road Project Development Account as a separate account in the Revolving Fund. The Executive Director is authorized to transfer funds budgets, project development expenses and liabilities including but not limited to payment for legal costs, now in Arctic Infrastructure Development Fund into the new Ambler Road Project Development Account established as a separate account in the Revolving Fund, and provide for a separate accounting for these transfers into the Ambler Road Project Development Account .

Section 3 The Executive Director is authorized to sign all documents and instruments and take other actions as may be necessary or convenient in implementing this Resolution.

DATED at Anchorage, Alaska, on this 16th day of April 2025.

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY



Chair

SEAL

ATTEST:



Secretary



CONFIDENTIAL MEMORANDUM

TO: Board Members
Alaska Industrial Development and Export Authority

FROM: Randy Ruaro
Executive Director

DATE: April 16, 2025

RE: Resolution No. G25-01 -Moving the Ambler Access Project Plan and Budget Into A New Separate Account in the Revolving Fund

REQUEST

Board Resolution No G25-01 addresses the methods to account for and manage the ongoing budget for the Ambler Road Project by creating a single account in the revolving fund, allowing AIDEA to extend all funding resolutions to June 30, 2026. The project is evolving from a long-term effort to obtain a permit bundle to a phase of development involving the use of those permits in conjunction with land use permissions and the refinement of the road route based on geotechnical work. As part of this shift in focus and to provide for the accounting for the project going forward, it is desirable to move the funding and the budget for the project from the Arctic Infrastructure Development Fund where it has resided since Resolution G20-11, into a new, separate account in the Revolving Fund denominated as the “Ambler Road Project Development Account”.

Under the proposed Resolution, all of the funds, budgets, project development expenses and liabilities including but not limited to payment for legal costs, located in the Arctic Infrastructure Development Fund for the accounting management of the Ambler Road will be transferred to the new Ambler Road Project Development Account in the Revolving Fund. This change will allow the accounting for the Ambler Road Project to be in line and consistent with the anticipated future expenditures for the project including both gains and potential liabilities as costs are both expensed and capitalized in accordance the standards of the Government Accounting Standards Board (“GASB”).

AIDEA was set up by the Legislature to be able to finance projects through several separate funds including the Revolving Fund (AS 44.88.060). the Enterprise Development Account (AS 44.88.155), the Economic Development Account (AS 44.88.172). the Arctic Infrastructure Development Fund (AS 44.88.810) and the Sustainable Energy Transmission and Supply Development Fund (AS 44.88.660). The Legislature also granted the Authority the ability to have each fund accept receipts into a fund and authority to transfer funds from one fund to the other as directed and determined by the Board.

Under AS 44.88.060 the Board is authorized to move funds into the Revolving Fund and the Legislature added an additional power allowing AIDEA to create new accounts within the Revolving Fund to assist in the effective and efficient management of projects. The statute, in pertinent part provides as follows:

The Alaska Industrial Development and Export Authority revolving fund is established in the authority. The revolving fund consists of appropriations made to the revolving fund by the legislature, money or other assets transferred to the revolving fund by the authority, and unrestricted payments on loans made or purchased by the authority. Unless otherwise expressly stated, the accounts created in this chapter are accounts in the revolving fund. **The authority may create additional accounts either in the revolving fund or outside the revolving fund.** (emphasis supplied)

The proposed resolution would continue funding within the conceptual framework of the 2021 Development Agreement executed with Ambler Metals that has been extended to June 30, 2025. It would also allow staff to plan and commit to activities outside of Ambler Metals approved budget with a 50% reimbursement based on the quarterly budget set forth below.

AAP Project		2025			
Task	Description	Apr-Jun 2025 Budget	Apr	May	Jun
1	Interim Funding Agreement	-	-	-	-
2	Program Management	75,000.00	25,000.00	25,000.00	25,000.00
3	Stakeholder Outreach	239,400.00	44,400.00	150,000.00	45,000.00
4	Design, H&H and Survey	-			
5	Geotechnical	-			
6	Facilities	-			
7	Cultural Resources - NLURA	35,000.00	5,000.00	5,000.00	25,000.00
7a	Cultural Resources - Other	7,500.00	2,500.00	2,500.00	2,500.00
8	Environmental and Permitting	90,000.00	30,000.00	30,000.00	30,000.00
9	ICE and Support	-			
10	Logistics	-			
11	Access Agreements & ROW	100,000.00			100,000.00
12	CMGC	15,000.00	5,000.00	5,000.00	5,000.00
13	BLM SEIS	-			
		561,900.00	111,900.00	217,500.00	232,500.00

After June 30, 2025 unless extended by Ambler Metals the funds would be expended solely by AIDEA and would be located in a separate account in the Revolving Fund rather than in Artic Infrastructure Development Fund. This accounting change is consistent with AIDEA's continuing interest in providing access to the Ambler Mining District to support mineral exploration, development, and mining activities in the area. This interest is consistent with the recent designation of copper as a critical metal in the President's March 25, 2025 Executive Order entitled "Immediate Measures To Increase American Mineral Production" in Section 2(a). This designation of copper highlights the strategic importance of the Ambler District in supporting national security and economic development. The Ambler Mining District is estimated to contain over 9.3 billion pounds of copper due to its polymetallic deposits, which are rich in copper, zinc, and other valuable minerals.

By the terms of this Resolution, the Authority is authorized to create a new account in the Revolving Fund known as the “Ambler Road Project Development Account” and transfer the funds budgets, project development expenses and liabilities now in the Arctic Infrastructure Development Fund to the new Ambler Road Project Development Account and extend the date of budget approvals under AIDEA Board Resolution G23-07A to June 30, 2026.;

REQUEST BACKGROUND

Resolution G20-11 transferred funds from the Revolving Fund to Arctic Infrastructure Development Fund and declared the Ambler Access Project to be an Arctic Infrastructure Development Project under the Arctic Infrastructure Development Fund. Resolution G20-29 authorized funding for legal fees from the Arctic Infrastructure Development Fund. Resolution G23-07A approved on October 25, 2023 consolidated all previous funding resolutions and project plans, authorizing the Authority to expend up \$53 million and \$26,500,000 (Table 1) from Arctic Infrastructure Development Fund. Resolution G24-13 authorized funding from the Revolving Fund. The Development Agreement with Ambler Metals resolutions are represented in Table 1 and Table 2 represents Ambler Road resolutions from G20-11.

Table 1 Resolution G23-07A

Ambler Metals Development Agreement			
	50% AIDEA	50% Ambler Metals	Total
G23-07	\$ 22,400,000.00	\$ 22,400,000.00	\$ 44,800,000.00
G23-07A	\$ 4,100,000.00	\$ 4,100,000.00	\$ 8,200,000.00
Total G23-07A	\$ 26,500,000.00	\$ 26,500,000.00	\$ 53,000,000.00

Table 2 Ambler Resolutions

Ambler Resolutions with funding available				
Resolution	Fund	Authorized	Total Expended	Remaining
G23-07A	Arctic Infrastructure Development Fund	\$ 53,000,000.00	\$ 40,753,760.34	\$ 12,246,239.66
G24-13	Revolving Fund	\$ 750,000.00	\$ 200,599.00	\$ 549,401.00

Resolution G23-07A was intended to fund the 2024 Annual Project Plan and Budget. However, following the remand and the issuance of the by the Bureau of Land Management (“BLM”) of a Supplemental Environmental Impact Statement (SEIS), Ambler Metals approved a reduced project plan and budget, limiting their reimbursement to \$2.5 million. Consequently, the total 2024 budget was reduced to \$5 million instead of the proposed planned of \$13.9 million.

On April 19, 2024, the BLM published its SEIS identifying the “No Action” alternative as its preferred option. In June 2024, the BLM issued the Record of Decision, officially selecting the “No Action” alternative. This decision canceled the BLM issued 50-year right-of-way permit previously granted to AIDEA, and directed the agency to terminate the project's Section 106 Programmatic Agreement (PA) under the National Historic Preservation Act.

Now, the President’s January 20, 2025 Executive Order 14153 ‘Unleashing Alaska Extraordinary Recourses’ in Section 3(viii) reinstates the 2020 Record of Decision that approved federal permits for the project creating an opportunity to move the Ambler Road Project forward.

PROJECT PLAN AND BUDGET

The remaining funds from the approved G23-07A resolution are approximately \$12 million. The Development Agreement signed with Ambler Metals in 2021 expired by its terms and amendments in December of 2024. Ambler Metals is approving the agreement extension and budgets on a quarterly basis until AIDEA federal permits and authorizations are reinstated.

AIDEA management recommends to the Board that due to the size and complexity of the budget process it is in AIDEA's best interest to prepare and develop a work plan that allows AIDEA to make plans beyond the quarterly basis and extend the date for the Project's budget until June 30, 2026. The 18-month planning outlined in the (Table 3) below for reference is the estimate budget needed to conduct subsurface data collection.

AIDEA's goal moving forward is to provide funding for the needed collection of data that will advance the project, with a primary focus on geotechnical investigations as the major budget category in a manner consistent with Executive Order 14153, "Unleashing Alaska's Extraordinary Resource Potential", 90 FR 8747, January 29, 2025, Section 3(b)(viii) ("reinstate the record of decision signed on July 23, 2020, by the Bureau of Land Management and United States Army Corps of Engineers entitled "Ambler Road Environmental Impact Statement Joint Record of Decision...").

Ambler Access Preconstruction Activities							
Task	Description	2020	2021	2022	2023	2024	2025/2026
1	Interim Funding	\$ 840,277.07					
2	Program Management		\$ 291,175.31	\$ 1,289,075.72	\$ 1,350,157.77	\$ 797,511.00	\$ 750,000.00
3	Stakeholder Outreach		\$ 128,719.71	\$ 799,875.19	\$ 1,001,410.70	\$ 450,898.28	\$ 1,000,000.00
4	Design, H&H and Survey		\$ 58,215.49	\$ 3,127,367.98	\$ 2,945,156.69	\$ 565,128.46	\$ 500,000.00
5	Geotechnical		\$ 1,138,537.97	\$ 806,570.12	\$ 39,370.30	\$ -	\$ 4,500,000.00
6	Facilities		\$ 256,910.55	\$ 181,476.24	\$ 316,091.63	\$ -	\$ -
7	Cultural Resources		\$ 37,075.51	\$ 1,257,061.82	\$ 1,185,052.45	\$ 290,564.85	\$ 500,000.00
8	Environmental and Permitting		\$ 1,642,650.56	\$ 551,427.07	\$ 483,963.68	\$ 129,233.06	\$ 500,000.00
9	ICE and Support		\$ 91,035.98	\$ 300,244.23	\$ 229,486.85	\$ -	\$ -
10	Logistics		\$ 132,324.12	\$ 4,740,607.12	\$ 7,276,982.98	\$ -	\$ -
11	Access Agreements & ROW		\$ 1,499,794.39	\$ 570,403.00	\$ 459,358.00	\$ 511,744.50	\$ 730,000.00
12	CMGC		\$ 502,255.29	\$ 109,308.15	\$ 60,000.00	\$ 9,281.25	\$ 100,000.00
13	Supplemental EIS	\$ -			\$ 2,299,979.30	\$ -	
14	Contingency						\$ 3,666,239.66
	Total	\$ 840,277.07	\$ 5,778,694.88	\$ 13,733,416.64	\$ 17,647,010.35	\$ 2,754,361.40	\$ 12,246,239.66
	Cumulative Totals		\$ 6,618,971.95	\$ 20,352,388.59	\$ 37,999,398.94	\$ 40,753,760.34	\$ 53,000,000.00
		Actuals	Actuals	Actuals	Actuals	Actuals	Projected
Resolution G21-03 Development Agreement with Ambler Metals							
	AIDEA	\$ 420,138.54	\$ 2,889,347.44	\$ 6,866,708.32	\$ 8,823,505.18	\$ 1,377,180.70	\$ 20,376,880.17
	Ambler Metals	\$ 420,138.54	\$ 2,889,347.44	\$ 6,866,708.32	\$ 8,823,505.18	\$ 1,377,180.70	\$ 20,376,880.17
Note: G23-07 totals \$44,800,000 approved, AIDEA 50% funded from AIDF \$22,400,000. G23-07(a) Added funds of \$4,100,000 from the AIDF to total \$26,500,000. G23-07(a) brings total approved budget for preconstruction activities to \$53,000,000 that will be split 50% by Ambler Metals. Board Resolution G23-07B Approves the Project Plan. Ambler Metals per the Development Agreement will approve to fund 50% of the Project Plan and Budget.							

Staff is proposing to conduct field activities on lands with valid land access agreements and approvals. AIDEA has a 3-year land access agreement with Doyon that expires on April 14, 2027. Over time, as other access and ROWs are approved, modified or reinstated, the scope of work will change.

AIDEA MISSION

AIDEA's purpose is to promote, develop, and advance the general prosperity and economic welfare of the people of Alaska. The opening of new areas for natural resource development through the construction of access roads and/or transportation corridors is important in supporting economic development in connection with the extraction, transportation, and production of timber, metals, minerals, hydrocarbons, petroleum products, and other resources.

Under AS 44.88.010(a)(4), the legislature found and determined that the development and financing of industrial development and facilities “are essential to the development of the natural resources and the long-term economic growth of the state and will directly and indirectly alleviate unemployment in the state...”. An industrial road that provides access to a mining district is the type of development that AIDEA was established to pursue.

Development of the Project by AIDEA is anticipated to bring benefits to the region and to the State of Alaska by diversifying the economy and providing job opportunities to Alaskans. As a result, the Amber Access Project is in the public interest and serves a public purpose by creating access to the Ambler Mining District. Based upon an Impacts Report dated June 28, 2019 by the University of Alaska, economic and job growth benefits to the region and state include:

1. Creation of over 3,000 total (direct, indirect, and induced) jobs and over \$230 million in total wages during construction of the Project;
2. An additional 2,400 total jobs and over \$195 million in total wages during mine construction;
3. The combined operation of the Project and associated mines supporting roughly 1,800 total jobs with nearly \$137 million in total wages; and
4. Benefits directly to local communities along the Project route such as broad band internet, and lower cost fuel and goods; and
5. Significant new revenues for both local and State governments.

AMBLER ACCESS HISTORY

The Project is based on the filing of the SF-299 Alaska National Interest Lands Conservation Act (“ANILCA”) right-of-way application for an approximately 200-mile industrial access road from the Dalton Highway to the Ambler Mining District in northwest Alaska. The application was filed in accordance with Section 201(4)(b) of ANILCA “Congress finds that there is a need for access for surface transportation purposes across the Western (Kobuk River) unit of the Gates of the Arctic National Preserve (from the Ambler Mining District to the Alaska Pipeline Haul Road) and the Secretary shall permit such access in accordance with the provisions of this subsection.”

In 2009, the Alaska Department of Transportation and Public Facilities (“DOT&PF”) began evaluating multiple road and railroad routes that could provide access to the Ambler Mining District. Access to the District was assessed for both east and west alignments to the District. As a result of these studies, a potential corridor was identified that would connect the Dalton Highway to the Ambler Mining District by traversing the Gates of the Arctic National Park and Preserve.

In 2013, the project was transferred from DOT&PF to AIDEA. Subsequent to starting the road permitting, AIDEA submitted an SF 299 Application to BLM that BLM determined required the preparation of Environmental Impact Statement (“EIS”), the process of which began in January of 2016. . BLM released a draft EIS for the project on August 23, 2019 and issued the Final EIS on March 27, 2020. A Joint Record of Decision (“JROD”) was issued by the BLM and U.S. Army Corps of Engineers on July 23, 2020 together with a decision by the Secretaries of Interior and Transportation to approve a route through the Gates of the Arctic National Park and Preserve based on an Environmental and Economic Analysis of the route prepared by the National Park Service (“NPS”) under Title II and Title XI of ANILCA. Rights-of-way permits were issued by the BLM for BLM-managed lands along the approved route and by the NPS, for the portion of the road crossing the Gates of the Arctic National Park and Preserve. The 2020 Record of Decision was set aside by a subsequent Record of Decision issued in June of 2024, but the 2020 Record of Decision was reinstated by the President by Section 3(viii) in Executive Order 14153.

RECOMMENDATION

AIDEA staff recommends that the Authority approve Resolution G25-01.